



MILPITAS PLANNING COMMISSION AGENDA REPORT

NEW BUSINESS

Meeting Date: February 25, 2015

APPLICATION:

Environmental Assessment No. EA14-0007 and General Plan Amendments No. GP14-0004 - A request for Adoption of a Negative Declaration and a General Plan Amendment Approving the Draft Housing Element 2015-2023 and revisions to the Seismic/Safety Element and Open Space/Environmental Conservation Element of the General Plan

RECOMMENDATION:

Staff recommends the Planning Commission conduct a public hearing and adopt a resolution recommending the City Council adopt a Negative Declaration (Environmental Assessment No. EA14-0007) and approve General Plan Amendment No. GP14-0004 relating to the Draft Housing Element 2015-2023 and revisions to the Seismic/Safety Element and Open Space/Environmental Conservation Element of the General Plan.

LOCATION:

Address/APN:

Citywide

PEOPLE:

Project Applicant:

City of Milpitas

Consultants:

Bay Area Economics (BAE) and Place Works

Property/Business Owners:

N/A

Project Planner:

Felix Reliford, Principal Housing Planner

LAND USE:

General Plan Designation:

All

Specific Plan:

Transit Area and Midtown Specific Plans

Zoning District:

All Zoning Districts

Overlay District:

All Overlay Districts

ENVIRONMENTAL:

The adoption of Negative Declaration pursuant to Section 15074 of the California Environmental Quality Act (CEQA), no significant effect on the environment.

Executive Summary

Summary State Housing Element Law

Under California State law, Section 65580 of the Government Code requires Housing Elements as a mandatory element of the General Plan and Housing Elements are required to be updated every eight years. All local jurisdictions must have a General Plan that includes a Housing Element. State Law also requires that a General Plan and its constituent elements “comprise” an integrated internally consistent and compatible statement of policies.

State Housing Element Law requires the following issues be addressed within the Housing Element:

- Review of prior Housing Element (2009-2014) including analysis of housing production in comparison to mandated housing goals (Regional Housing Needs Allocation-RHNA);
- Analysis of the City’s current and future housing needs;
- Inventory and analysis of housing resources;
- analysis of governmental and non-governmental constraints to housing production; and
- Housing plan setting forth goals, policies, programs and qualified objectives to address the City’s housing needs.

The current housing element review includes several new mandated actions required by the State Department of Housing and Community Development (HCD), which reviews the housing element and determined if the document will be certified. These new mandates and future zoning ordinance amendments includes permitting transitional and supportive housing in MXD and TC Zoning Districts and allowing manufacturing homes in all zoning districts where residential development is allowed.

Draft Updated Housing Element Public Review Process

On February 25 and March 11, 2014, staff conducted two community meetings on the Draft Housing Element Update to obtain public input and comments on the preparation of the document prior to the submittal of the draft housing element before Planning Commission and City Council. The community meetings were advertised in the Milpitas Post, City’s Website and Cable TV. Also, notices of the meetings were mailed to 70 different organizations, agencies, groups and other interested parties.

The February meeting included the following topics: 1) What is Housing Element and State Housing Element Requirements, 2) Housing Element relationship to the General Plan, 3) New laws affecting the Updated Housing Element, 4) What Public participation is important to the Housing Element, 5) Role State of CA- Housing Community Development (HCD) in reviewing the Housing Element and 6) Discussion on housing needs assessment for Housing Element.

The March meeting included the following topics: 1) Review of previous Housing Element (2009-2014) Goals, Policies and Objectives, 2) Discussion on Adequate Housing Sites Inventory, 3) Discussion on Projected Housing Needs, 4) Special Housing needs and Reasonable Accommodations Policy, 5) Governmental Constraints, and 6) Timeframe for Implementation of Updated Housing Element.

On May 14, 2014, the Planning Commission received an update on the status of the Housing Element Process.

The 30-day public review and comment period (August 15-September 15, 2014) was advertised in the Milpitas Post, City Website and Cable TV. Copies of the draft Housing Element Update were made available at City Hall, Milpitas Public Library and City's Website. All comments will be forwarded to Planning Commission and City Council prior to the council final review and adoption. On September 10, 2014, the Planning Commission reviewed the Draft Housing Element update, and adopted a resolution recommending the City Council authorized staff to submit the Draft Housing Element Update to HCD. On September 16, 2014, City Council reviewed and authorized staff to submit the Draft Housing Element Update to HCD for its review and comments with the following revisions:

- Provide additional information regarding the Urban Growth Boundary
- Maintain the existing policy regarding Executive-Luxury Style Housing
- Delete all references to consideration of nexus study for inclusionary zoning, in-lieu housing fee and commercial linkage fee

After incorporating the Council's comments, the Draft Housing Element Update was forwarded to State of California, Department of Housing and Community Development (HCD) in November 2014 for their review and comments for certification. After responding to HCD comments, staff received final certification of the Milpitas Updated Housing Element from HCD on January 5, 2015.

Upon certification from HCD, Government Code Section 65588(e) (4) requires the Housing Element to be adopted by the City within 120 days from the statutory due date of January 31, 2015. Upon adoption by the Planning Commission and City Council the Housing Element will be forwarded to HCD for final approval. Included in the Planning Commission's agenda packet is a copy of the certification letter from HCD.

General Plan Amendments and Environmental Review

The General Plan Amendment includes an update to the current (2007-2014) Housing Element for the planning period 2015-2023. The proposed Project supports the goals and policies of the City's current Housing Element and provides policies and implementing programs to further the City's housing goals to meet its Regional Housing Needs Allocation (RHNA-3,290 units). No rezoning or changes to the General Plan or Zoning districts would be required to achieve this yield. The Seismic and Safety Element Amendment includes an update to required information related to Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRMS), dam inundation zones, and City goals and policies to comply with State law (specifically Assembly Bill-AB162). It also includes the adoption of Santa Clara County's multi-jurisdictional Local Hazard Mitigation Plan and the City of Milpitas' Local Hazard Mitigation Plan Annex to ensure that appropriate emergency measures are implemented when natural disaster occurs. The Open Space and Environmental Conservation Element Amendment include update to the water Quality and Conservation Section, map of rivers, creeks, streams, and riparian habitat as per AB 162.

Because the Updated Housing Element does not require any potential housing opportunity sites to be rezoned (Transit Area and Midtown Specific Plans have appropriate number of housing sites to meet the City RHNA) and the general plan amendments for the Seismic and Safety and Open Space and Environmental Conservation Elements are minor amendments to comply with AB 162 (ensure appropriate emergency measures are implemented during natural disaster occurs and update to maps of rivers, creeks, streams, and riparian habitat) no significant environmental impacts are associated with

the project and negative declaration has been filed. The 30-days public review period for the Negative Declaration was from December 12, 2014 to January 12, 2015. Copies of the environmental document were made available to the public at Milpitas City Hall, Public Library, City's website, County of Santa Clara Office of the Recorder and State of California Office of Planning and Research (OPR), the State Clearinghouse Agency. Included in the commission agenda packet is a copy of the negative declaration.

Staff has received two comments on the negative declaration on the General Plan Amendments. Responses to both letters from the City's Environmental Consultant (Placeworks) has been addressed and no further action is required. Copies of the letters and response are included in the agenda packet.

Progress in Achieving Regional Housing Needs Allocation (RHNA-2015-2023)

One of the major requirements of the Housing Element process is the need to address the Regional Housing Needs Allocation (RHNA) from Association of Bay Area government (ABAG) for the reporting period from 2015-2023. A total of 3,290 housing units were allocated to Milpitas to provide its regional fair share of housing units for various income categories. The chart below illustrates the City breakdown of the income levels associated with the housing unit requirements:

	Very Low (0%-50% *)	Low (51%-80%*)	Moderate (81%-120%*)	Above Moderate (121%+ *)	Total
City of Milpitas	1,004	570	565	1,151	3,290
Percentage Distribution	30.5%	17.3%	17.25%	35.0%	100%

(*) Percentage of Area Median Income (AMI)-Santa Clara County-\$105,500 (2014)

Note: The Milpitas RHNA allocation represents about six percent (6%) of the total Santa Clara County RHNA figure 58,836 housing units.

The Housing Element contains several Policies and Programs to assist the City in meeting its housing goals including:

- Working with local property owners to facilitate land acquisition and site assembly for small parcels for future development;
- Provide assistance for the rehabilitation of housing units occupied by very low and low income households;
- Continue to facilitate housing production through implementation of Transit Area and Midtown Specific Plans;
- Seek out new funding sources to support the development and preservation of affordable housing and housing for individuals with special housing needs;
- Promote homeownership opportunities for low and moderate income households;
- Support the inclusion of space for children facilities in new residential developments;
- Promote energy efficiency in new and existing residential developments;

- Enforce housing codes and regulations to correct code violations while minimizing the displacement of residents; and
- Monitor the need to replace infrastructure as needed to conserve older neighborhoods

Additional Housing Element Requirements-Future Zoning Ordinance Amendments

Upon adoption of the Housing Element by Planning Commission and City Council additional follow up action will be required to address statutory requirements:

- Modify Zoning Ordinance to allow transitional and supportive housing in MXD and TC Zoning Districts, subject to the same standards and restrictions as other residential uses in the same zone (**Note:** In the TC zoning district, which requires a use permit for residential units, the City can also require a use permit for transitional and supportive housing); and
- Modify Zoning Ordinance to allow manufacturing homes in all zoning districts where residential development is allowed, subject to the same architectural and development standards as other dwellings in the same zone.

Recommendation:

- 1) Open the Public Hearing and receive comments.
- 2) Close the Public Hearing.
- 3) Adopt Resolution No.15-008 recommending the City Council adopt Negative Declaration (Environmental Assessment No. EA14-0007) and General Plan Amendment No. GP-14-0004 relating to the Draft Housing Element 2015-2023 and revisions to the Seismic/Safety Element and Open Space/Environmental Conservation Element of the General Plan.

Attachments:

Draft Housing Element Update Amendment (GP-14-0004)
Draft Safety/Seismic Element Amendment (GP-14-0004)
Draft Open Space/Environmental Conservation Element Amendment
(GP-14-0004)
Negative Declaration (EA No. 14-0007) and Letter from OPR
Response to OPR letter-January 23, 2015
P.C. Resolution-dated February 25, 2015
HCD Letter-dated January 5, 2015
Letters Law Foundation and NHP-dated Dec. 5 and 8, 2014